

for the Family Emergency Shelter Coalition (FESCO). Two years ago, the Volunteer Center announced it would not be holding the annual Human Race Walkathon, FESCO's largest fundraiser. Being his usual take-charge self, Harold announced that FESCO could do the walkathon on its own, and so was born the Shelter Shuffle. Harold's great leadership and organizational skills made the Shelter Shuffle FESCO's most successful walkathon ever.

All of Harold's contributions and successes have not gone unrecognized over the years. His fame started many years ago when he was inducted into the Athletic Hall of Fame in Chico for basketball and track. His dedication to improving and expanding the Boy Scouts in the Tres Ranchos area awarded him the Silver Beaver Award, one of Scouting's highest honors. Finally, last year, Harold was nominated for an award at Hayward's Volunteer Dinner in recognition for his service.

Harold's love and interest in helping and interacting with others continues to be the force behind his dedication and his actions. I ask my colleagues to join with me today in recognizing and honoring Harold Taylor as a true leader whose example inspires others to work towards a greater good in their communities.

#### FAMILY AND MEDICAL LEAVE

### HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 29, 2000*

Mr. BEREUTER. Mr. Speaker, this Member highly commends and submits for the RECORD this February 15, 2000, editorial from the Omaha World Herald regarding attempts by the Clinton Administration to require businesses to provide paid family and medical leave for employees.

[From the Omaha World-Herald, Feb. 15, 2000]

#### NO ONE THERE TO PAY

Government-mandated family leave policies cause a particular difficulty for people who want government to do a great deal more to make life comfortable: No readily tappable reservoir of money exists to conveniently cover the costs.

Currently people must go without pay if they exercise their rights under the 1993 federal law entitling them to 12 weeks away from work each year for family reasons. The time off can be used to care for a sick family member or bond with a newly adopted or newborn child.

The original promoters of family leave in the 1980s said "No, never" when they were accused of planning to slip in a paid-leave requirement later. Now, predictably, "No, never," has turned into "Unfair—some people can't afford to take time off without pay."

However, a majority of Congress has never bought into the idea that government should force employers to keep the paychecks coming for extended family leave. Moreover, the thought of taxing the general public has also been a non-starter—it raises such questions as why a family that sacrificed to have a stay-at-home caregiver should pay higher taxes to subsidize the paid leave of a two-earner family.

Thus when President Clinton came around to paid family leave on the list of social programs he wants to leave as a legacy, he used

an indirect approach. He said he would ask Congress for \$20 million in grant money to encourage state governments to find a way to pay people who took time off. He had previously suggested raiding accounts currently used to compensate the jobless and temporarily disabled workers—accounts that in many states are flush because of economic growth and low unemployment in recent years. But other creative ideas are encouraged, he said.

It's always easy to be generous with someone else's money, but in our opinion Congress shouldn't even start down that road. Unemployment and disability funds aren't a windfall and shouldn't be treated as one. Much of the money in the fund resulted from a special tax collected only from businesses. Industries with a history of more layoffs paid proportionately more.

In theory, the special tax rates are lowered when a healthy balance exists in the jobless accounts. Businesses would have a legitimate complaint if they were forced to continue to pay because the fund was drawn upon for reasons other than those for which it was established. And what happens if a recession sends unemployment soaring and the fund is drawn down to pay for family leave? How healthy would it be to raise business taxes still higher at the very time the vitality of the job-producing sector is under stress?

The president showed a glimmer of understanding when he noted that his widowed mother was able to get job training because his grandparents cared for him while she attended school. No federal mandates were involved. But Clinton quickly dismissed the significance of that saying that his family had been lucky. He contends that a federal mandate is needed because not everyone has that kind of luck.

As past editorials in this space have noted, Clinton's lack of firsthand experience with the private sector undermines his credibility on workplace issues. He said no American worker should have to choose between job and family. But such choices are made all the time. Balancing the various parts of one's life is a normal part of adulthood.

And it's by no means a one-sided choice. Long before family leave was invented as a liberal political cause, fathers and mothers were dealing with such issues with the help of extended families, carefully scheduled vacations, generous workplace friends and kind neighbors.

Sympathetic employers—the kind whose existence is seldom acknowledged by the left—also played a role in helping people manage. Competitiveness was also a factor. In a 1987 survey, 77 percent of 1,000 companies indicated that they already had formal or informal family leave policies. In some cases, employees were compensated while taking time off.

So, long before Congress passed the original family leave law, the private sector was already moving forward. It would be interesting to know if this initiative has accelerated—or slowed—in the years since the government served notice that it was taking over the field.

#### HOUSING FINANCE REGULATORY IMPROVEMENT ACT OF 2000

### HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, February 29, 2000*

Mr. BAKER. Mr. Speaker, today, Chairman LEACH and I introduce a bill to improve the

regulation of the three housing GSEs: FannieMae, FreddieMac, and the Federal Home Loan Banks.

The bill is designed to implement a GAO recommendation to consolidate GSE regulation into one independent board. Currently, three agencies regulate the three housing GSEs. The Federal Housing Finance Board regulates the Federal Home Loan Banks for safety and soundness and mission compliance. HUD regulates the mission compliance of FannieMae and FreddieMac; the Office of Federal Housing Enterprise Oversight regulates them for safety and soundness.

Based on several studies it conducted, GAO found that the creation of a single regulator to oversee both safety and soundness and mission compliance of the housing GSEs would lead to improved oversight. GAO identified these advantages:

A single regulator could be more independent and objective than the separate regulatory bodies and could be more prominent than either OFHEO or FHFB.

The regulators' expertise in evaluating GSE risk management could be shared more easily within one agency.

A single regulator would be better positioned to be cognizant of specific mission requirements, such as special housing goals or new programs, and should be better able to assess their competitive effect of all three housing GSEs and ensure consistency of regulation for the GSEs.

GAO analyzed different regulatory structures that could be used for a single housing GSE regulator. It found that an independent, arm's-length, stand-alone regulatory body headed by a board would best fit its criteria for an effective regulatory agency. GAO cited these advantages:

An independent regulatory body should be positioned to achieve the autonomy and prominence necessary to oversee the large and influential housing GSEs.

Using a board would enable Congress to provide for representation that could help ensure the regulator's independence and provide appropriate balance and expertise in the regulators' deliberations of both safety and soundness and mission-related issues.

A board could be structured to provide equal links to HUD, due to its role in housing policy, and Treasury, due to its roles in finance and financial institution oversight.

I believe that an independent board consisting of five persons, including representatives from HUD and Treasury, is a more effective oversight agency for the three housing GSEs than the current regulatory system. The Federal Home Loan Banks, FannieMae, and FreddieMac have essentially the same mission: to provide access to mortgage credit for families throughout the United States. We should not have inconsistent regulations for them.

In short, the bill seeks to improve supervision and to diminish the systemic risk of FannieMae, FreddieMac, and the Federal Home Loan Banks. The provisions in the bill intend to do the following:

1. Consolidate regulation of the three housing GSEs.
2. Reform the approval process for new GSE initiatives.
3. Limit GSEs' non-mission related investments.
4. Remove each GSE's line of credit with the Treasury.